

Highlights Q3

- Stable third quarter earnings despite uncertain markets
- Organic growth in all three regions
- Denmark continues to be the driver of the Nordic market
- Good development for the re-positioned UK trade channel concept, Magnet Trade
- Finalization and validation of strategic review

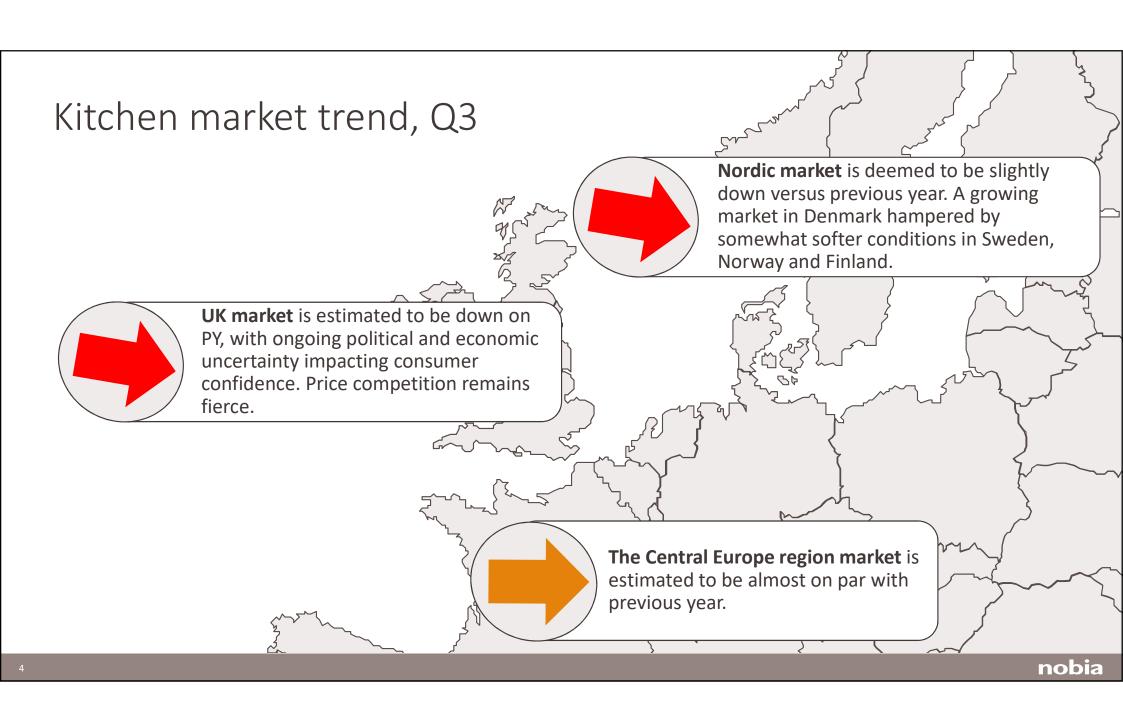


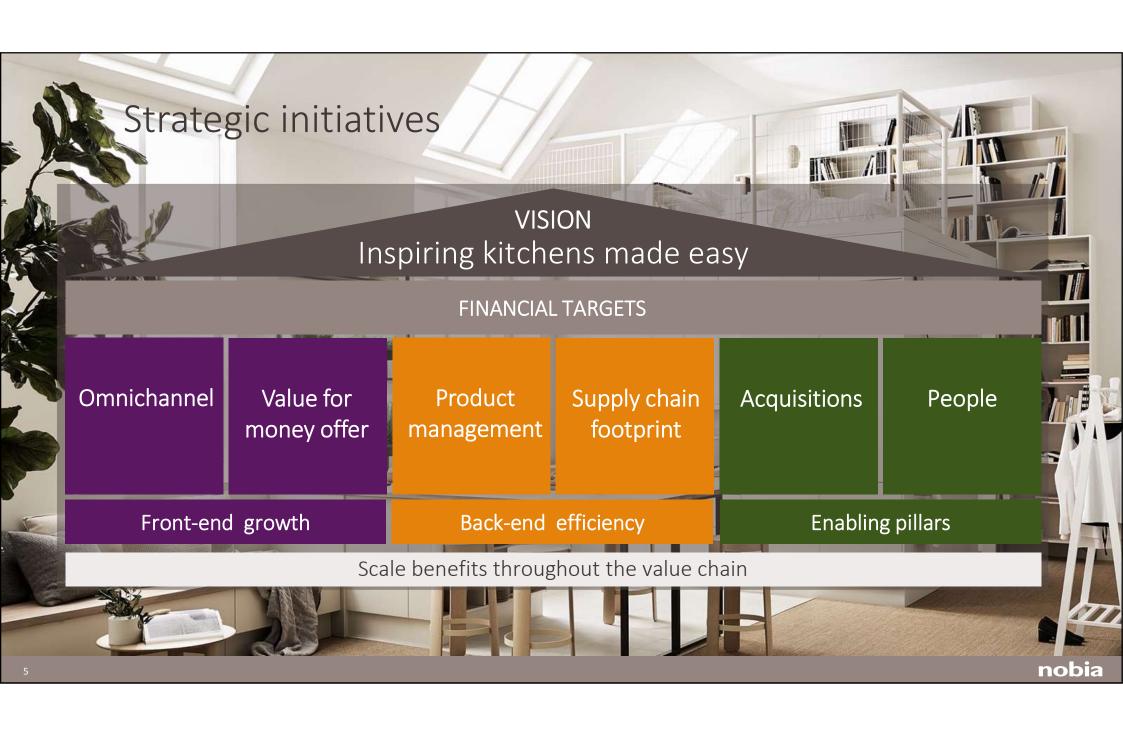
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Nobia Group, Q3

- Net sales increased 4%, of which 3 percentage points were organic, to SEK 3,265m
- Higher sales values compensated for unfavourable currency impact, higher direct material and SG&A costs
- Stable gross margin, lower EBIT margin
- Unfavorable currency impact of SEK 15m
- EBIT unchanged at SEK 267m

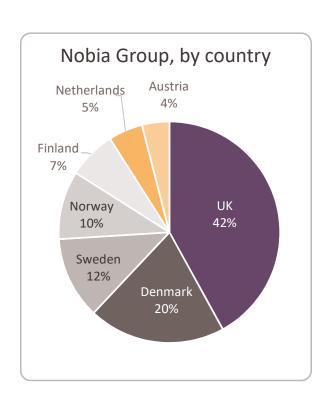
	2018 Q3	2019 Q3
Net sales (SEKm)	3,143	3,265
Organic growth	-5%	3%
Gross margin	37.7%	37.6
EBIT (SEKm)	267	267
EBIT margin	8.5%	8.2

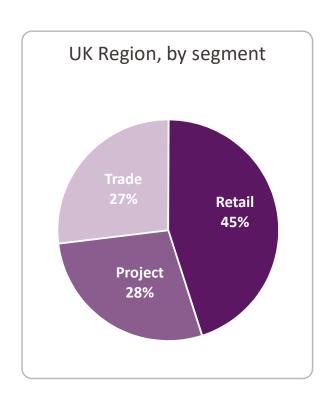






Net sales distribution (12 months rolling)





Note: Based on 12m rolling figures. Nobia Denmark's sales have been divided depending on what market the sales were made

Nordic region, Q3

- Organic growth 1%
 - Consumer segment sales up in Denmark and Finland
 - Project sales up in Denmark
 - Organic growth was 2% excluding the impact from conversion of Norema stores to franchise
- Gross margin declined due to currency impact and effects from franchise conversion. Favourable mix and higher sales values.
- Lower SG&A costs due to cost out measures and franchise conversion.
- Currency impact on EBIT level was SEK -10m
- Higher EBIT and EBIT-margin.

46% of Group net sales in Q3

	2018 Q3	2019 Q3
Net sales (SEKm)	1,474	1,501
Organic growth	-1%	1%
Gross margin	37.8%	37.4%
EBIT (SEKm)	185	193
EBIT margin	12.6%	12.9

















UK region, Q3

- Organic growth was 5%
- Good development for Magnet Trade
 - Repositioned Magnet Trade concept now introduced in ~160 stores
- Simply Magnet (affordable retail offer) increased
- Deliveries to the larger projects in London continued with good pace
- Gross margin declined partly due to lower sales values and currency
- Lower EBIT, partly as a result of costs related to the repositioning of Magnet Trade

45% of Group net sales in Q3

	2018 Q3	2019 Q3
Net sales (SEK m)	1,378	1,464
Organic growth	-9%	5%
Gross margin	39.4%	37.4
EBIT (SEK m)	105	88
EBIT margin	7.6%	6.0

Magnet







Central Europe region, Q3

- Flat organic growth
- 4% organic growth in Bribus / Netherlands
- Organic decline in Austria to prioritize profit ahead of volume
- Positive impact from cost savings and timing of cost accruals
- Substantially higher EBIT and margin

9% of Group net sales in Q3

	2018 Q3	2019 Q3
Net sales (SEKm)	291	300
Organic growth	3%	0%
Gross margin	24.1%	34.3
EBIT (SEK m)	10	28
EBIT margin	3.4%	9.3%









Financial position

Operating cash flow improved

- Higher operating cash flow
- However, driven by positive effect from IFRS 16
- Operating cash flow adjusted for IFRS16 was SEK 215m.

Strong balance sheet

- Increased net debt due to IFRS 16
- Net debt excluding IFRS16 of SEK 1,562 m
- Net debt/equity excluding IFRS16 of 38%
- Net debt impacted SEK 618m by the acquisition of Bribus in July 2018

Cash flow	2018	2019
	Q3	Q3
Operating profit	267	267
Change in working capital	-2	20
Investments in fixed assets	-95	-103
Operating cash flow	213	346
	2018	2019
Net debt	30 Sep	30 Sep
IFRS 16 leasing liabilities	-	2,644
Net pension debt	411	532
Borrowings	1,023	1,254
Interest bearing assets	-178	-224
Net debt	1,256	4,206
Net debt/equity	32	102

¹¹ nobia

My first impressions as President and CEO







